

## 2006 DENSITY BONUS INCENTIVE

The Density Bonus incentive offers downtown commercial, residential and mixed-use developments greater height and/or floor area if a green building standard of LEED™ Silver or higher is met.

### for more information contact

Peter Dobrovolny, City Green Building

t | 206 615-1094

e | [peter.dobrovolny@seattle.gov](mailto:peter.dobrovolny@seattle.gov)



### downtown zoning ordinance LEED incentive

On April 12, 2006, Mayor Nickels signed new downtown zoning legislation. The complex package of regulations, adopted by City Council April 3, updates rules for the central office core and adjoining areas, including Denny Triangle and a portion of Belltown. Changes in the new regulations were made to provide greater heights and/or greater floor area for commercial and residential buildings. To gain greater height or density, projects must achieve a LEED™ Silver rating, as well as contribute to affordable housing and other public amenities. The zoning changes also offer greater transferable development rights for historic structures.

The LEED incentive was incorporated as part of a package of public amenities that mitigate the impacts of growth by protecting the environment, conserving natural resources, and promoting public health, safety and welfare. LEED encourages an integrated design process and establishes performance goals in the form of credits for sustainable site development, water savings, energy efficiency, materials selection, indoor environmental quality, and process and innovation. Points are awarded for the credits achieved. There are four progressive levels of certification: Certified, Silver, Gold and Platinum.

LEED standards have been developed for specific sectors of the market. The Downtown Zoning Ordinance allows owners and developers to use either the LEED for New Construction (LEED-NC) or LEED for Core & Shell (LEED-CS) products. LEED-NC covers all building elements, including core and shell and interiors. LEED-CS covers base building elements (structure, envelope and systems), and recognizes the division between owner and tenant responsibility for design and construction, where the owner develops the base building, and the tenant builds out the commercial interiors.

### density bonus incentive process

There are two steps to the Density Bonus incentive process:

1. The developer / owner (applicant) must submit a letter of intent that communicates their commitment to achieve a LEED Silver, Gold or Platinum rating on their project before issuance of the Master Use Permit. The City will then issue subsequent permits and the final Certificate of Occupancy based on this good faith commitment.
2. Within 90 days of receiving the final Certificate of Occupancy, the applicant must submit documentation that demonstrates achievement of a LEED Silver rating or higher.

### penalties for non-performance

If the applicant fails to submit a timely report, or demonstrate performance (earn a LEED Silver rating or higher) will result in a penalty. The penalty for failure to submit a timely report is \$500 per day from the date due, 90 days after issuance of final Certificate of Occupancy.

Failure to demonstrate performance will also result in a penalty. Performance must be demonstrated through an independent report provided by the U.S. Green Building Council that confirms achievement of at least a LEED Silver rating. The calculation for the penalty is as follows:

$$P = [(LSM - CE) / LSM] \times CV \times 0.75\%$$

P is the Penalty; LSM is the LEED Silver Minimum, the minimum credits needed to earn a LEED Silver rating; CE is the Credits Earned as documented through the report; and CV is the Construction Value as set forth on the building permit for the new structure. Example:

$$CV = \$200,000,000; LSM = 33; CE = 32$$

$$P = [(33 - 32) / 33] \times 200,000,000 \times 0.0075 = \$45,454.55$$

All penalties collected will contribute to a Green Building Fund dedicated to supporting market adoption of green building.